

STATE OF MISSOURI

PUBLIC SERVICE COMMISSION

annual report



Missouri Public Service Commission



COMMISSIONERS
TYRE W. BURTON, CHM.
E. L. MCCLINTOCK
WILLIAM BARTON
FRANK W. MAY
DONAL D. GUFFEY

GLENN D. EVANS
GENERAL COUNSEL

WARREN G. TAYLOR
SECRETARY

JEFFERSON CITY

TEL 636-3111
December 1, 1963

The Honorable John M. Dalton
Governor of Missouri
State Capitol Building
Jefferson City, Missouri

Dear Governor Dalton:

In accordance with the provisions of Section 386.380, Revised Statutes of Missouri 1949, as amended, the Public Service Commission of the State of Missouri has the honor of transmitting to you herewith for your consideration and approval its Annual Report for the fiscal year 1962-63.

We have endeavored to present, as briefly as possible consistent with the facts, a summary of the vast amount of important matters presented to us and the disposition of them in the interest of the general public, at the same time indicating the growth and importance of industries under the Commission's jurisdiction.

We sincerely hope that the report will prove of interest and value to you.

Respectfully submitted,

PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

Tyre W. Burton
Tyre W. Burton, Chairman

E. L. McClintock
E. L. McClintock, Commissioner

William Barton
William Barton, Commissioner

Frank W. May
Frank W. May, Commissioner

Donal D. Guffey
Donal D. Guffey, Commissioner

ALL COMMUNICATIONS SHOULD BE ADDRESSED TO THE SECRETARY

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INTRODUCTION

Few people realize that the Missouri Public Service Commission is charged with the complex task of serving to develop an equitable balance between the interests of those who receive and those who provide services that are fundamental to the state's economy. Many of the services provided, once considered luxuries, have now become necessities. Many are quasi-monopolistic by necessity. Few are competitive but dependent on regulation for their existence; but all are necessities.

Millions of dollars of investment are involved. The public interest factor, either from consumer's point of view or as an investor, as of today or for the future, must be always considered. The customer is entitled to aggressive protection of his interests, while the utility and its investors are entitled to an equally responsible and impartial tribunal.

Because the decisions of the Commission affect all concerned so vitally, Commission members must be men of sound judgment and unquestioned integrity, striving continually to keep well informed and fully conversant with the problems of the utility industry, having at their disposal an adequate staff, expert in the many details of accounting, financing and engineering problems of the industry and the economic aspects of regulation.

The rates, fares, charges, standard of service, safety of operations, financial stability and the rules and regulations governing all electric, gas and telephone utilities, together with the transportation of all passengers and property by motor vehicles are the responsibility of your Public Service Commission.

MISSOURI PUBLIC SERVICE COMMISSION

<u>NAME</u>	<u>TITLE</u>
TYRE W. BURTON	Chairman
E. L. McCLINTOCK	Commissioner
WILLIAM BARTON	Commissioner
FRANK W. MAY	Commissioner
DONAL D. GUFFEY	Commissioner

DEPARTMENT HEADS

WARREN G. TAYLOR	Secretary
JAMES M. ENGLAND	Chief Accountant
R. E. DUFFY	Chief Engineer
GEORGE G. FOX	Chief Rate Expert
GLENN D. EVANS	General Counsel
LILLIAN M. CUNNINGHAM	Chief Court Reporter
CARLE R. NEWBERRY	Supervisor of Motor Bus and Truck Department
ROBERT E. DORR	Supervisor of Railroad Safety

ENGINEERING DEPARTMENT

J. C. Alexander	Engineer III
Lyndall Kent Bell	Engineer II
Ivan A. Chester	Utility Appraiser
Rose Mary Ekstam	Clerk-Stenographer III
A. R. Hamilton	Utility Appraiser
Richard Kieselbach	Engineer V
Dorothy L. Miller	Clerk-Stenographer III
Billy M. Nickle	Utility Appraiser
Flora B. Parsons	Clerk-Typist I
John O. Richey	Engineer III
Arlie Eugene Smith	Engineer Aide
Grover R. Wicker	Engineer III

GENERAL OFFICE

Elsie Dunwiddie	Clerk-Typist III
Eugene Jefferson	Custodial Worker
Stephen Kelly	Mail Clerk
Margaret E. Meadows	Ass't. Secretary
Julius Mulkey, Jr.	Custodial Worker
Leola A. Parker	Chief Clerk
Mary Potts	Clerk-Typist II
Ellen Sanderson	Duplicating Eqpt. Oper.
Bernice F. Selvidge	Receptionist
Gilbert J. Bax, Jr.	Duplicating Eqpt. Oper.
Helen Sitton	Clerk III
Marie Whitener	Switchboard Operator

LEGAL DEPARTMENT

Dorothy G. Acree	Clerk-Stenographer III
H. Burks Davis	Reporter of Opinions
Thomas J. Downey	Ass't. General Counsel
Nadine Gillock	Clerk-Stenographer II
Edna Mae Henley	Clerk-Stenographer III
Walker Pierce	Examiner
Paul H. Reis	Examiner
Wanda Tipton	Clerk-Stenographer II
Harvey Tessler	Examiner

RATE DEPARTMENT

G. H. Havens	Rate Expert
Robert F. Hencey	Rate Expert
David C. Jobe	Field Inspector I
Joyce Mealy	Clerk-Stenographer II
Henry Reinhardt	Rate Expert
Judy Schroeder	Clerk-Stenographer III

MISSOURI PUBLIC SERVICE COMMISSION

PERSONNEL

ACCOUNTING DEPARTMENT

James Cameron	Field Accountant IV
Paul W. Christian	Ass't. Chief Accountant
Irma Pate Faris	Clerk-Stenographer III
Edward Fritsch	Field Accountant II
George L. Goedde	Field Accountant II
Sarah Catherine Goedde	Clerk-Stenographer II
Sidney M. Graf	Field Accountant II
Gilbert E. Hoffman	Accountant IV
A. R. Hudgins	Field Accountant II
James Frank Mauney	Field Accountant III
Gerald J. Pleus	Field Accountant I
Elmer J. Schlueter	Field Accountant II

COMMISSIONER SECRETARIES

Hazel Benefiel	(Commissioner Frank W. May)
Sue L. Cobble	(Commissioner Donal D. Guffey)
Marie Colvin	(Commissioner William Barton)
Lucille Cybofsky	(Chairman Tyre W. Burton)
Marjorie Hardin Horn	(Commissioner E. L. McClintock)

BUS AND TRUCK DEPARTMENT

Lucille DeBroeck	Clerk-Typist III
Elizabeth Cronin Hughes	Chief License Clerk
Dorothea Miller	Clerk-Typist III
Linda Scott	Clerk-Stenographer II
Marguerite Smith	Senior Insurance Clerk
Betty Woodcock	Clerk-Typist I
Woodrow Chism	Ass't. Supervisor
Perrin A. Cooper	Field Inspector I
Richard J. Fulton	Field Inspector I
Earl Lauer	Field Inspector I
Wallace J. Murphy	Field Inspector I
James E. Nunn	Field Inspector I
George E. Phipps	Field Inspector I
John S. Schanbacher	Field Inspector I
Bernard J. Scheve	Field Inspector I
Charles W. Wilkerson	Field Inspector I

REPORTING DEPARTMENT

Marilea Stadler
Robert L. Stratman
Dorothea Sullivan

Court Reporter I
Court Reporter
Court Reporter I

MISSOURI PUBLIC SERVICE COMMISSION

This is the fiftieth anniversary of the establishment of the Missouri Public Service Commission. The Missouri Public Service Commission was created by an Act of the Forty-seventh General Assembly of Missouri. The act became effective April 15, 1913, and has been changed very little since that time. It conferred upon the Public Service Commission complete regulation of public utilities operating in the state. In 1931, the Fifty-sixth General Assembly of Missouri imposed additional duties upon the Commission by enacting legislation relating to the transportation for hire of persons and property by motor vehicles over the public highways of the state. It conferred upon the Commission jurisdiction to license, regulate and supervise transportation coming under the act. Due to this legislation, a bus and truck division was set up. On account of the duties required by that act, the work of the Commission was increased materially.

The 1945 Constitution of Missouri provided that the various administrative agencies be assigned to certain divisions of the state government. Under that assignment, the Missouri Public Service Commission became and is a division of the Department of Business and Administration. However, it operates as an independent commission in the exercise of its quasi-judicial functions.

The Commission is composed of five members appointed by the Governor with the advice and consent of the Senate for a statutory term of six years. The terms of the Commissioners are staggered so that the terms of not more than two Commissioners expire at any one time. Since its inception, the Commission has functioned on a bi-partisan basis with a three-to-two majority of the members drawn from the party in power.

In 1947, the Sixty-fourth General Assembly passed an act creating a Publications Commission, composed of the members of the Public

Service Commission and general counsel, for the purpose of selecting and designating what findings, orders and decisions of the Public Service Commission shall be published and cause to be prepared the syllabi for said findings, orders and decisions, and to select and designate such other news, papers or studies of the Public Service Commission relating to the field of public utility regulation as may be of interest to the public and to cause same to be published in pamphlet or book form. In addition to the members of the Commission, there is a general counsel to the Commission appointed by the Governor for a statutory term of six years. There is, also, a Secretary to the Commission who is appointed by the Commission and serves at the pleasure of the Commission. There are three examiners appointed by the Commission whose duties are to assist in holding hearings and writing reports and orders for the Commission. A Reporter of Opinions is also employed to aid the Publications Commission to carry out its duties. The Commission also employs a staff of technical, stenographic and clerical help, the staff being divided into the following departments: The Legal Department, headed by the general counsel; the Engineering Department, headed by the chief engineer; the Accounting Department, headed by the chief accountant; the Rate Department, headed by the chief rate expert; and the Bus and Truck Department, headed by a supervisor. The head of each of these departments has various assistants skilled in the particular work of the department and also the required stenographic and clerical help.

The Public Service Commission acts as an administrative agent of the legislative department of the state. Its functions are similar to those of the federal agencies in which such agencies operate, namely, the Interstate Commerce Commission, Federal Power Commission, Federal Communications Commission, and the Securities and Exchange Commission.

The offices of the Commission are open for business every day except Sunday and legal holidays.

Formal hearings are held in the hearing room, Tenth Floor, Jefferson Building, at Jefferson City, and when necessary they are held at other places throughout the state. Procedure before these hearings is informal and the technical rules of pleadings, evidence and procedure of the court are relaxed. All parties interested in any matter before the Commission are given an opportunity to present to the Commission all facts bearing upon the case and to make complaints as to the services rendered by any utility under the jurisdiction of the Commission. Only licensed attorneys are permitted to practice before the Commission. In addition to formal cases, the Commission handles, by informal hearings and conferences, a great volume of matter of lesser importance. The orders of the Public Service Commission relative to the various utilities over which it has jurisdiction affect as many or more citizens of the state than any other agency of the state. The Public Service Commission was created and is organized now to give prompt and efficient service to the citizens of Missouri.

THE OFFICE OF THE SECRETARY

A new Secretary was appointed January 1, 1963. It is the responsibility of the Secretary's Office to keep a full and true copy of all records and proceedings of the Commission. All exhibits and pertinent information concerning all hearings before the Commission are filed and made available to the public by this office.

During the year 1962-63 two hundred eighty-two applications have been filed. All utility applications are written requests for some authority from the Commission. The various utilities file numerous applications concerning their multiple requests. The applications for establishment of railroad grade crossings, changes in rate structures, construction of new and additional utility equipment, the valuation of property so as to determine the rate of return on the investment, are just a few of the many filed.

It is the responsibility of the Secretary's Office to mail formal notices of hearing to all interested parties at least ten days prior to the hearing date. The parties may support or protest in any case before this Commission. After formal hearings are conducted and decisions have been reached, Report and Orders are issued by the Secretary's Office and copies furnished to all parties of record.

ACCOUNTING DEPARTMENT

The Department is charged with the responsibility of assisting the Commission in matters regarding valuations of utility properties for rate making purposes, security issues, reorganizations, consolidations, and property acquisitions, and provides evidence at hearings in which these matters are involved. The Department conducts audits and examinations of the various utilities, in order to develop and present information which enables the Commission to evaluate the actual condition of utilities when considering cases involving any of the matters mentioned above.

Other functions consist of the supervision of the accounting methods of all utilities operating in the State, which are subject to the jurisdiction of the Commission, including annual reports covering the operation of each utility which are filed with the Commission as a public record. The Department also prepares the biennial budget, maintains current records of expenditures, and periodically advises the Commission as to the current status of each appropriation.

By application of provisions of Section 386.370, Missouri Revised Statutes 1959, which sets forth the method of assessing the various classes of public utility companies by the Commission, to cover the expenses incurred, each fiscal year, in exercising its regulatory power, the Department calculates the exact amount of each assessment, against each public utility company.

Personnel

The Chief Accountant, ten accountants and two clerk-stenographers comprised the personnel of the Department on June 30, 1963.

Audit and Special Duties

With the exception of the Chief Accountant and office staff, the personnel of the Department primarily perform their duties in the field, auditing and examining the books and records of the various utilities. The purpose of these audits and examinations is to determine the original cost of property, operating revenues and expenses, net operating income and the utility's capitalization, for use in any valuation or rate case which may come before the Commission, and for any other purpose the Commission might deem proper.

During the fiscal year eight members of the Department Staff were in the field on audits and examinations involving verification of original costs, operating revenues and expenses, property studies and furnishing accounting guidance where such assistance has been requested or where the department deemed such guidance necessary.

When not in the field these members of the department staff from time to time made special studies for the purpose of inquiring as to the adequacy, or inadequacy, of the rate of return of the various utilities, based on the net operating income and the existing rate base.

During the fiscal year a total of 1,102 annual reports and 1,850 quarterly reports were filed by various motor carriers, covering their 1962 operations. The accountant in charge analyzes these reports as to their conformity with requirements set forth by the Commission, and as to the propriety of the accounting methods and practices of the carriers. Where deviations are found the carrier is notified and very often receives proffered help toward improving accounting methods and practices and the preparation of future reports. The Department is also available for obtaining such accounting and statistical data relative to the various motor carriers as might be required by the Commission from time to time in passing upon requests of various motor groups for increased rates.

Security Issues

During the fiscal year the amount of security issues authorized by the Commission was \$244, 611, 445. 00, an increase of 28. 03% over the amount authorized during the preceding fiscal year. Of this amount, \$500, 000. 00 was for the purpose of refunding outstanding securities and debt, as compared with \$4, 000, 000. 00 for the preceding year, and \$244, 111, 445. 00 was new money obtained for the acquisition, construction, completion, extension and improvement of property and services of the various utility companies.

The fact that Missouri public utility companies were able to obtain their capital requirements during the past year reflects to a high degree the sound financial condition of these companies and their high credit rating. This is further justification for the continuance by the Commission of its policy of careful scrutiny of all proposed security issues, with the view toward improving corporate structures and to increasing the margin of safety to investors.

The table on Pages 16 and 17 shows the securities authorized during the period July 1, 1962 to June 30, 1963.

Annual Reports

Approximately 1, 298 electric, water, heating, gas, telephone, telegraph, street transit, railroad, sleeping car, express and bus and truck companies filed annual reports with the Commission. These reports show each reporting utility's financial condition and operating results for the calendar year 1962. They are available for public inspection, and information contained in them is used extensively by security holders, investment brokers, municipal and county officials, interested public utilities and individuals.

The Department uses these reports in developing rates of return and earnings of the various companies. From time to time, statistical studies pertaining to various matters under review are also developed for the use of the Commission.

Many times in the past various small utilities have been remiss in filing their annual reports and the Department has been compelled, by various means, to procure them. In spite of these efforts, there are always some from which the Department receives no report. For the calendar year, the Department's persuasive efforts culminated in the filing of reports by practically all utilities so obligated. While the Public Service Commission Law grants power to assess a penalty for failure to file, the Commission has never exercised this prerogative, preferring instead, by less severe methods to impress upon all utilities the importance of compliance.

Assessments

The Department advises the Commission as to the status of each appropriation under which it operates. Current records are maintained in the Department, regarding the expenditures under the various appropriations and showing the free balance in each fund. All proposed expenditures are referred to the Department to determine if money is available for such expenditure within the particular ap-

propriation.

In accordance with the provision of Section 386.370, Missouri Revised Statutes 1959, the Commission on June 20, 1963, entered its Order in Case No. 11,110, Supplemental Order 16, in which it estimated the amount of its expenses for the 1963-1964 fiscal year, payable under this Section, at \$398,473.65.

After crediting the various utilities with the estimated unexpended balance of \$63,473.65 from the preceding fiscal year, the Commission assessed each group, in addition to said estimated unexpended sum, as follows:

(A) Railroad Corporations	\$ 60,000.00
(B) Street Railroad Corporations	4,500.00
(C) Other Common Carriers (Railway Express Company)	2,500.00
(D) Electric Corporations, Gas Corporations, Water Corporations, Heating Companies, and Telephone Corporations	266,000.00
(E) Telegraph Corporations	<u>2,000.00</u>
Total	<u>\$ 335,000.00</u>

The Department, in the same Order, was directed to calculate the amount of assessment against each public utility in each group, in proportion to its gross intrastate revenues, for the preceding calendar year in relationship to the total for the group. The assessment so calculated was presented to the Secretary of the Commission, who thereafter notified each utility of the amount assessed and the method by which payment should be made.

Fees

During the fiscal year the fees collected, exclusive of the Bus and Truck Department, were as follows:

Authority Fees	\$58, 328. 68
Miscellaneous Earnings	<u>7, 329. 00</u>
Total	<u>\$65, 657. 68</u>

The fees amounting to \$58, 328. 68 collected during the current fiscal year compare with \$42, 632. 59 collected in the preceding fiscal year. All authority fees and Miscellaneous earnings are credited directly to the State General Revenue Fund.

Cooperation with Other Regulatory Commissions

During the fiscal year, cooperation was maintained with the Federal Power Commission, in connection with joint problems relative to various Missouri electric and gas utilities; with the Federal Communications Commission in connection with joint problems relative to Missouri telephone and telegraph companies; and with the Securities and Exchange Commission and the Rural Electrification Administration in matters of mutual interest. The Department, when called upon, has furnished information, engaged in conferences, and cooperated with personnel of the Rural Telephone Association in connection with applications for government loans for rural telephone companies.

General

In addition to previously outlined functions, the Department is constantly called upon for assistance and information by those regulated as well as the general public, and, when not in conflict with Commission policy, such assistance and information is furnished. The Department works in close cooperation with other departments within the Commission and many of the results achieved have been the result of cooperation and assistance from these other departments.

The Department is faced with ever-increasing demands for the service of its personnel. Because of increased operating costs, various utilities frequently petition the Commission for authority to file schedules of increased rates, which usually necessitates field work by Department Accountants. Usually in these cases the petitioner stresses the urgency of the situation and requests immediate remedial action. The Department will, considering its limited personnel, continue to make the necessary studies and examinations as rapidly as physically possible.

SECURITIES AUTHORIZED JULY 1, 1962 to JUNE 30, 1963

<u>DATE OF AUTHORITY</u>	<u>CASE NO.</u>	<u>COMPANY</u>	<u>KIND OF SECURITIES</u>	<u>REFUNDING</u>	<u>TOTAL VALUE</u>
July 3, 1962	15,018	Southwestern Bell Telephone Company	Debentures	\$	\$100,000,000.00
July 27, 1962	15,034	Missouri Valley Telephone Corp.	Common Stock		50,000.00
July 30, 1962	15,014	Modern Telephone Company	Notes		77,000.00
Aug. 8, 1962	15,035	Hartville Telephone Corporation	Notes		216,000.00
Aug. 8, 1962	15,017	Twin Lakes Telephone Company	Notes		150,000.00
Sept. 25, 1962	15,083	United Telephone Company	Bonds		1,500,000.00
Sept. 25, 1962	15,083	United Telephone Company	Common Stock		1,400,000.00
Oct. 5, 1962	15,103	Laclede Gas Company	Notes		58,250.00
Oct. 8, 1962	15,088	Panhandle Eastern Pipe Line Company	Debentures		60,000,000.00
Oct. 10, 1962	15,095	St. Charles Gas Corporation	Bonds		200,000.00
Oct. 8, 1962	15,088	Panhandle Eastern Pipe Line Company	Preferred Stock		20,000,000.00
Oct. 18, 1962	15,077	Doniphan Telephone Company	Notes		743,000.00
Oct. 18, 1962	15,077	Doniphan Telephone Company	Common Stock		300,000.00
Oct. 23, 1962	15,046	Missouri-Kansas Distribution Co., Inc.	Notes		561,000.00
Oct. 24, 1962	15,096	Iamo Telephone Company	Notes		573,000.00
Oct. 24, 1962	15,096	Iamo Telephone Company	Common Stock		10,000.00
Oct. 24, 1962	15,090	Lincoln Telephone Company	Notes		250,000.00
Oct. 26, 1962	15,038	Green Hills Telephone Company	Notes		637,000.00
Nov. 15, 1962	15,104	Northwest Nodaway Telephone Corp.	Notes		35,000.00
Nov. 27, 1962	15,123	Drexel Telephone Company	Notes		140,000.00
Dec. 10, 1962	15,140	Missouri Natural Gas Company	Bonds		600,000.00
Dec. 7, 1962	15,132	Bolivar Telephone Company	Notes		229,000.00
Dec. 7, 1962	15,143	West Belton Service Company	Notes		70,000.00
Nov. 26, 1962	15,133	Missouri Cities Water Company	Common Stock		350,000.00
Nov. 13, 1962	15,079	Mark Twain Rural Telephone Company	Notes		175,000.00
Dec. 28, 1962	15,115	Southwest Dial, Inc.	Notes		55,000.00
Dec. 21, 1962	15,146	Western Light and Telephone Co., Inc.	Bonds		7,500,000.00
Dec. 21, 1962	15,146	Western Light and Telephone Co., Inc.	Preferred Stock		2,500,000.00
Dec. 21, 1962	15,111	Chariton Valley Telephone Corp.	Notes		182,000.00
Jan. 10, 1963	15,154	Laclede Gas Company	Debentures		10,000,000.00
Jan. 10, 1963	15,154	Laclede Gas Company	Preferred Stock		5,000,000.00

Jan. 3, 1963	15,087	Indian Grove Telephone Company	Notes	\$	\$ 5,000.00
Jan. 23, 1963	14,971	American Gas Company	Debentures	500,000.00	2,300,000.00
Jan. 23, 1963	14,971	American Gas Company	Common Stock		230,000.00
Mar. 5, 1963	15,181	Associated Natural Gas Company	Bonds		2,300,000.00
Mar. 15, 1963	15,191	Midstate Telephone Company	Notes		1,009,000.00
Mar. 22, 1963	15,168	Sho-Me Power Corporation	Notes		5,241,000.00
Mar. 28, 1963	15,201	Western Light and Telephone Company	Common Stock		576,695.00
Apr. 10, 1963	15,218	St. Louis County Water Company	Common Stock		1,150,000.00
Apr. 10, 1963	15,219	Missouri Water Company	Common Stock		1,147,500.00
May 17, 1963	15,248	Missouri Utilities Company	Bonds		3,000,000.00
Apr. 30, 1963	15,230	The Gas Service Company	Bonds		11,000,000.00
June 14, 1963	15,269	Grand River Mutual Telephone Corp.	Notes		167,000.00
June 14, 1963	15,249	Ellington Telephone Company	Notes		30,000.00
May 23, 1963	15,235	Wheeling Telephone Company	Notes		47,000.00
June 18, 1963	15,225	Sho-Me Power Corporation	Notes		2,195,000.00
June 24, 1963	15,257	Miller Telephone Company	Notes		30,000.00
June 25, 1963	15,271	Urbana Telephone Company	Notes		622,000.00
			TOTAL	<u>\$500,000.00</u>	<u>\$244,611,445.00</u>

RECAPITULATION

Bonds	\$ 25,900,000.00
Common Stock	5,214,195.00
Debentures	172,300,000.00
Preferred Stock	27,500,000.00
Notes	<u>13,697,250.00</u>
TOTAL	<u>\$244,611,445.00</u>

BUS AND TRUCK DEPARTMENT

Office Personnel

The Bus and Truck Department, on June 30, 1963, consisted of a Supervisor, assistant supervisor and chief inspector, nine district inspectors, a chief licensing clerk, five clerk-typists, and a stenographer.

General

The Department continues to answer inquiries from and give information to the shipping public generally and all motor carriers whether or not they are certificated by the Commission.

The office staff is on a current basis on correspondence, questionnaires, application for annual licenses, filing of insurance coverage for each authorized carrier, complaints on illegal operations, service damage, and other irregularities; complaints on exempt commodity carriers for excessive use of authority and other evasive, and illegal, motor transportation practices.

The inspection division made numerous investigations of suspected law violations and also investigated information provided on the 215R forms of the Missouri State Highway Patrol. Many carriers thereafter made applications to the Commission for a certificate of convenience and necessity proper to their activity.

The division and the service inspector of the Rate Department participated in all road checks, "safety clinics", and local city examinations. For the benefit of all motor carriers, whether of property or persons, the Commission provides in pamphlet form a copy of the Missouri Bus and Truck Law and its General Order No. 33-D. An intelligent understanding of its contents is encouraged. The provisions of the Order insofar as is possible are consistent with those of other states.

The Bus and Truck Department came into existence in 1931 and there have been many changes in procedures since that time. Since then there have been many revisions in the Statutes relating thereto. They were necessitated by the modernizing of vehicles, increased motor travel, highways and changing business methods, etc.

Accident Prevention and Regulations

Accident prevention of the highways of Missouri is a necessary and paramount objective of the inspection division and the Department's methods used in attaining that objective are more often advisory and preventive than punitive. A strict compliance with all safety rules of the Commission is a positive requirement of all motor carriers, coming under its jurisdiction, and to that end they are under constant surveillance and supervision.

Certain safety demands are made upon both the operators and their equipment and, together with the Bureau of Motor Carriers of the Interstate Commerce Commission, the Department engages itself in safety checks of all vehicles operating, for hire, on Missouri highways and not exempt from the provisions of the Bus and Truck Law. Many tractors and trucks are banned from service due to a deficiency in, or failure of, steering mechanisms, lighting systems, tires, horns, windshield wipers, coupling devices, brakes, and other accessories determined at the time of inspection to be in unsafe condition. The Department has found that braking system maladjustments are by far the most common.

The Missouri Bus and Truck Association, in conjunction with the Bureau of Motor Carriers of the Interstate Commerce Commission, is engaged in a program of "safety clinics". They have been of inestimable value to all Association members and very helpful to all state and federal agencies concerned with motor carrier control. The inspectors of this Department regularly attend and participate in

such programs and at all times give an explanation of the safety rules of the Commission. They demonstrate the most proficient type of fire extinguishers, flares, flags, fuses, and reflectors needed by a motor carrier in the case of an emergency, and of course also offer a thorough explanation of any rules or regulation thought to be of interest to the carriers or about which they inquire. This program is participated in and profited from by both large and small operators alike.

The Department has been able to attain a substantial portion of its objectives only through the cooperation of other departments of the Commission, the Missouri State Highway Patrol, the Missouri State Highway Commission, the Department of Revenue, the Interstate Commerce Commission, and city and county officers in many parts of the state. To them the Department is indebted.

Revenue

Revenue, for the first time in the past three years, did not decline due to increased rail transportation of automobiles, "piggy back" operations, and the extension of reciprocity agreements. The increase of \$39,047.00 over the past year was caused by closer supervision of compliance road checks and normal growth of the transportation industry.

Over \$7,500.00 was collected in fines and court costs at Rolla, Missouri, and comparable amounts were collected at Kingdom City, Republic, Carthage, and other points. Fines on violations of the Missouri Bus and Truck Law are earmarked for schools.

Interstate Activities

We have given to and received from neighboring states, to the advantage of all, cooperation in the exchange of facts, and the interchange of ideas and information.

The Supervisor is active in the National Association of State Transportation Specialists and at that body's most recent convention a further extension destined toward the maximum of cooperation among states was urged. It was also suggested that it would be beneficial to the regulatory authorities, the public generally, and the carriers in particular, if each state should enact uniform sections in its motor carrier regulatory act, particularly with regard to definitions, powers of arrest, and the registration of interstate carriers.

The work load of the Bus and Truck Department within the last ten years has increased nearly five fold. In 1951 the total number of motor carriers coming under the jurisdiction of the Commission was 1,213 and on December 31, 1960, the total number was 5,568.

The following tables are self-explanatory:

Revenue collected from all motor carriers under the jurisdiction of this Commission, from July 1, 1962 to June 30, 1963:

	TRUCKS	BUSES	GRAND TOTAL
July, 1962	\$ 12,669.00	\$ 1,400.00	\$ 14,069.00
August, 1962	9,593.00	1,375.00	10,968.00
September, 1962	9,431.00	725.00	10,156.00
October, 1962	7,328.00	475.00	7,803.00
November, 1962	4,660.00	125.00	4,785.00
December, 1962	1,483.00	325.00	1,808.00
January, 1963	348,825.00	33,300.00	382,125.00
February, 1963	19,957.00	425.00	20,382.00
March, 1963	15,216.00	1,925.00	17,141.00
April, 1963	17,762.00	375.00	18,137.00
May, 1963	16,850.00	425.00	17,275.00
June, 1963	16,465.00	1,325.00	17,790.00
GRAND TOTALS	\$ 480,239.00	\$ 42,200.00	\$ 522,439.00

Bus and Truck cases filed, orders issued, motions filed, cases set for hearing, cases heard and transcripts filed:

	New Cases Filed	Orders Issued	Motions Filed	Cases Set For Hearing	Cases Heard	Transcripts Filed	Totals
July, 1962	83	187	29	6	28	12	345
August, 1962	86	157	17	9	-	4	273
September, 1962	80	163	39	20	8	9	319
October, 1962	102	177	35	18	15	-	347
November, 1962	50	108	17	26	22	2	225
December, 1962	63	107	17	8	9	4	208
January, 1963	99	207	47	22	10	11	396
February, 1963	76	136	32	17	15	2	278
March, 1963	102	150	19	19	13	7	310
April, 1963	81	174	21	23	21	12	332
May, 1963	96	159	28	19	7	9	318
June, 1963	123	161	25	20	14	6	349
Grand Totals	1041	1886	326	207	162	78	3700

The Emergency Motor Transport Board of the State of Missouri approved what is known as its Operational Survival Plan which sets out the procedures to be followed in the utilization of motor carrier service in the event of a national emergency attack or a national disaster. The Bus and Truck Department along with many other agencies of the State, but with particular reference to motor carrier service, is now engaged in planning for any actual or imminent enemy attack or other natural disaster of major proportions jeopardizing the safety and welfare of the State's inhabitants.

ENGINEERING DEPARTMENT

General

Problems coming before the Commission in connection with the regulation of electric, gas, steam heating, telegraph, telephone, and water utilities in the State of Missouri require the attention of the Engineering Department. The work of this Department requires the employment of trained and experienced men in order to expedite the work. As has been indicated in former reports the problem of finding and employing this class of men continues to become more difficult to solve. Recent graduates in Engineering have been employed and after they enter into the work, offers come to them that cause them to leave. Some have been called into the Armed Services and during that absence find employment elsewhere. Trained engineers are almost unobtainable at present day salaries. A number of years of training are required for new college graduates before such employees are able to handle valuation problems, including original cost and depreciation studies. It also requires several years of training for an inexperienced employee to be able to handle the various rate problems that come before the Commission. It is almost impossible to secure men who are willing to go through this training period while the engineering field outside of regulatory work offers them opportunities in immediate engineering work.

The staff in this Department has the assignment of receiving and filing tariffs of the electric, gas, steam heating, telegraph, telephone, and water utilities. The engineering staff make original cost appraisals and related studies of the tangible and intangible plant of the regulated utilities. It also makes investigations relative to complaints coming before the Commission and inquiries concerning service and safety problems.

Electric Rates and Service

The electric utilities in the State continue to grow at what appears to be an accelerating rate and it is not possible, at this time, to foresee how long that acceleration may continue.

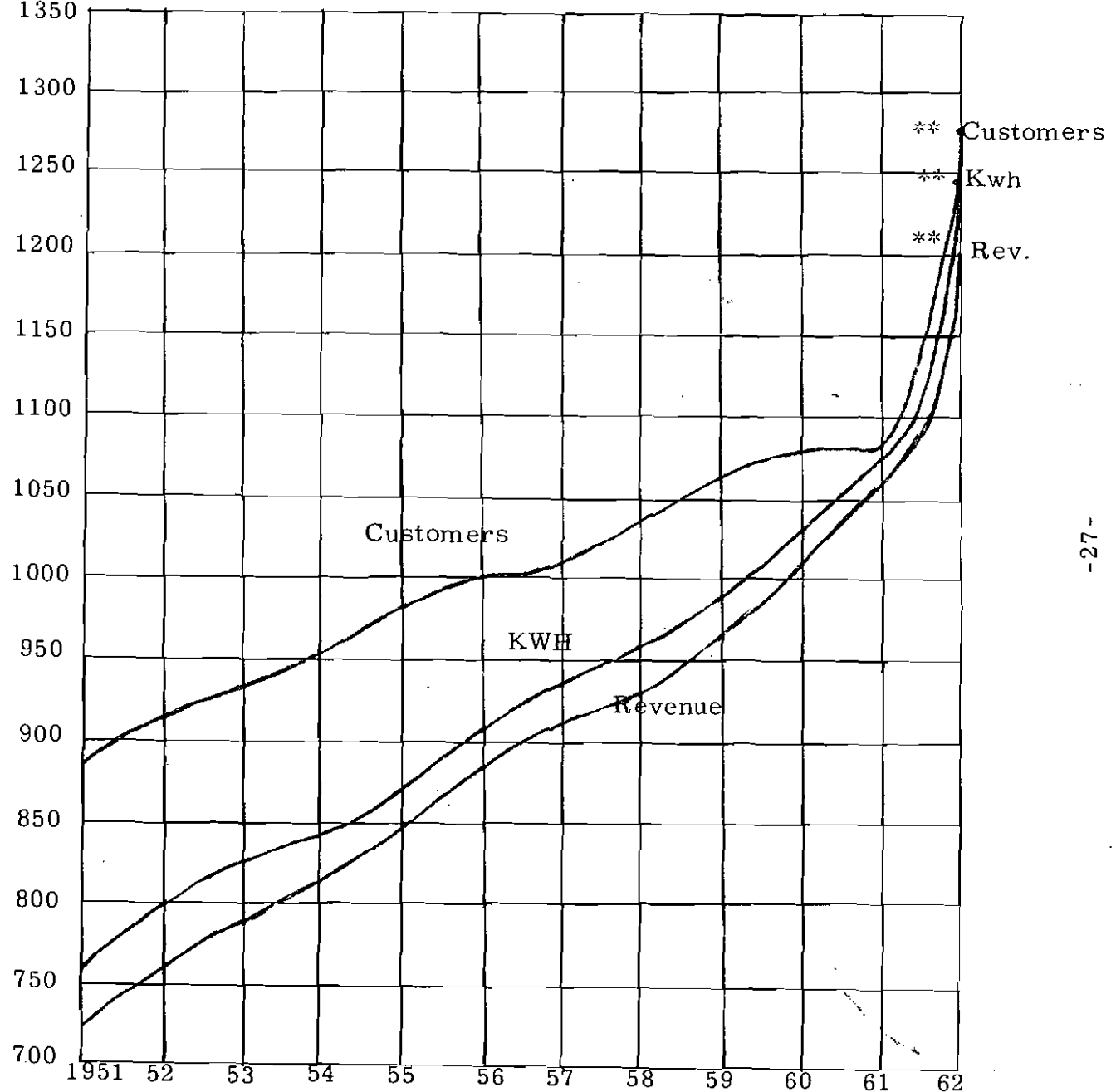
Following the year 1921, electric rates in Missouri have continued to decline until about the middle of the year 1958. Since the beginning of World War I the need for additional generating and transmission capacity has grown so rapidly the utilities have been under continuous stress to provide the capacity to take care of the needs of the public for the service. They have done so in a remarkable way and by the construction of new generating facilities they have had the advantage of having available generating stations that enable them to produce electric energy at a lower fuel cost per kilowatt hour than the older stations. Furthermore, as their systems would grow, utilities have been able to operate the new generating plants near if not at 100% capacity, thereby generating the base load of the system at high thermal efficiencies.

However, other costs such as investment cost and wages have continually increased to the point that the savings in reduced fuel usage per kilowatt hour have been insufficient to offset the other increasing costs of producing the energy and bringing it to the customers so the electric utilities have finally had to come to the Commission during this period as well as the past 1958-1962 period and ask for increases in rates in order to enable them to show earnings that would allow them to secure funds for providing new plant facilities. In addition to the generating facilities it has been necessary to build heavier transmission and distribution systems at higher voltages in order to deliver the service satisfactorily at the customer's premises. The program of integrating the electric transmission systems of the State has continued, thereby stabilizing the delivery of service throughout the entire State.

Operating Revenue (Million)	Thousand KWH Sold (Million)
360	18
340	17
320	16
300	15
280	14
260	13
240	12
220	11
200	10
180	9
160	8
140	7
120	6
100	5

Number of Customers (Thousand)
1350
1300
1250
1200
1150
1100
1050
1000
950
900
850
800
750
700

ELECTRIC UTILITIES *



* Missouri PSC regulated

** December 31, 1962

While rate increases for the electric utilities have been granted the percentage increase has not been as great as was allowed other utilities.

The growth in the regulated electric utilities in Missouri during the period 1951 through 1962, inclusive, is indicated by the chart on page 27. That chart does not indicate any slowing up in the growth.

Gas

The source of supply for the natural gas consumed is the interstate transmission line companies with lines extending from natural gas fields located in states to the south and to the west of Missouri, through Missouri and into other states in the northeastern part of the United States. Securing additional natural gas from the transmission line companies is under the jurisdiction of the Federal Power Commission and the problems of securing sufficient allocations of natural gas to meet the peak demand of the consuming public of Missouri are still unsolved.

The need continues for additional gas for space heating in new residences as well as the demand for additional gas in residences where other types of fuel are now being used. The availability of sufficient gas to meet the demand of the consuming public has improved to some extent. Some utilities have found that the installation of auxiliary liquified petroleum gas plants was necessary and such plants have been provided in order to supply service to their firm customers during extreme cold weather.

The use of auxiliary liquified petroleum gas for supplementing the natural gas in the distribution systems creates additional rate problems which are in addition to increases that are allowed from time to time by the Federal Power Commission to the interstate pipeline companies who supply the natural gas to the distributing utilities. In order to justify the installation and use of auxiliary liquified petroleum gas plant to enable as many customers as possible, particularly residence

space heating consumers, to avail themselves of the use of the natural gas, there has been some discussion as to the feasibility of allowing the gas utilities to file a supplementary fuel clause that would be reflected in the charges for space heating when it becomes necessary to use auxiliary (liquified petroleum) gas to supplement the natural gas during the extreme demands for space heating. For many years it has been the practice of electric utilities to file and apply a fuel clause to electric energy furnished to large industrial consumers because the rates filed with the Commission are relatively low and electric energy is sold in large quantities, so that there would be a small compensating cost varying with the fluctuating cost of fuel. Similarly, gas for space heating is consumed in large quantities and at a justifiable low unit cost. This low unit cost is sensitive to the increased cost of the use of auxiliary liquified petroleum gas. Therefore, if the needs of the public can be cared for by providing a fuel clause which would compensate the gas utility for the cost of liquified petroleum fuel that was used during the heating season, thereby enabling the gas utilities to offer service to an increased number of users, it may be in the interest of the public to give serious consideration to an auxiliary fuel clause.

One company has partially alleviated its gas peak demand problem by successfully establishing an underground storage facility whereby it stores gas during the non-heating season for the winter peak load.

From the year 1951 to the year 1962, gas utilities expanded materially. MCF sold increased by 106%. Income from gas sales increased by 152%. Investment in plant physical property increased 156% and the number of consumers increased by 37%. Statistics on the 1951-1962 expansion are shown in Table No. E-1. Table No. E-2 provides comparable data for the 1961-1962 period. Pertinent data by year (1951 through 1962) is contained in graphs on pages 32, 33 and 34.

TABLE NO. E-1
MISSOURI GAS UTILITIES *

	1951 - 1962		
	1951	1962	[%] Increase
Investment Dollars	\$109, 800, 195	\$281, 598, 150	156
Number of Consumers	597, 328	817, 946	37
Av. Inv. Dollars per Consumer	184	344	87
Gas Sold - MCF			
Residential	66, 781, 247	131, 239, 051	97
Commercial	8, 752, 883	25, 565, 996	192
Industrial	37, 071, 240	75, 529, 246	103
Total	112, 605, 370	232, 334, 293	106
Gas Sold (\$)			
Residential	43, 389, 191	103, 111, 549	138
Commercial	5, 357, 527	17, 274, 691	222
Industrial	8, 134, 041	23, 093, 015	184
Total	56, 880, 759	143, 479, 255	152
Av. Rate per MCF Sold (\$)			
Residential	0. 650	0. 786	21
Commercial	0. 612	0. 676	10
Industrial	0. 219	0. 306	40
Total	0. 505	0. 618	22

*Does not include Municipal Utilities

TABLE NO. E-2
MISSOURI GAS UTILITIES *
1961 - 1962

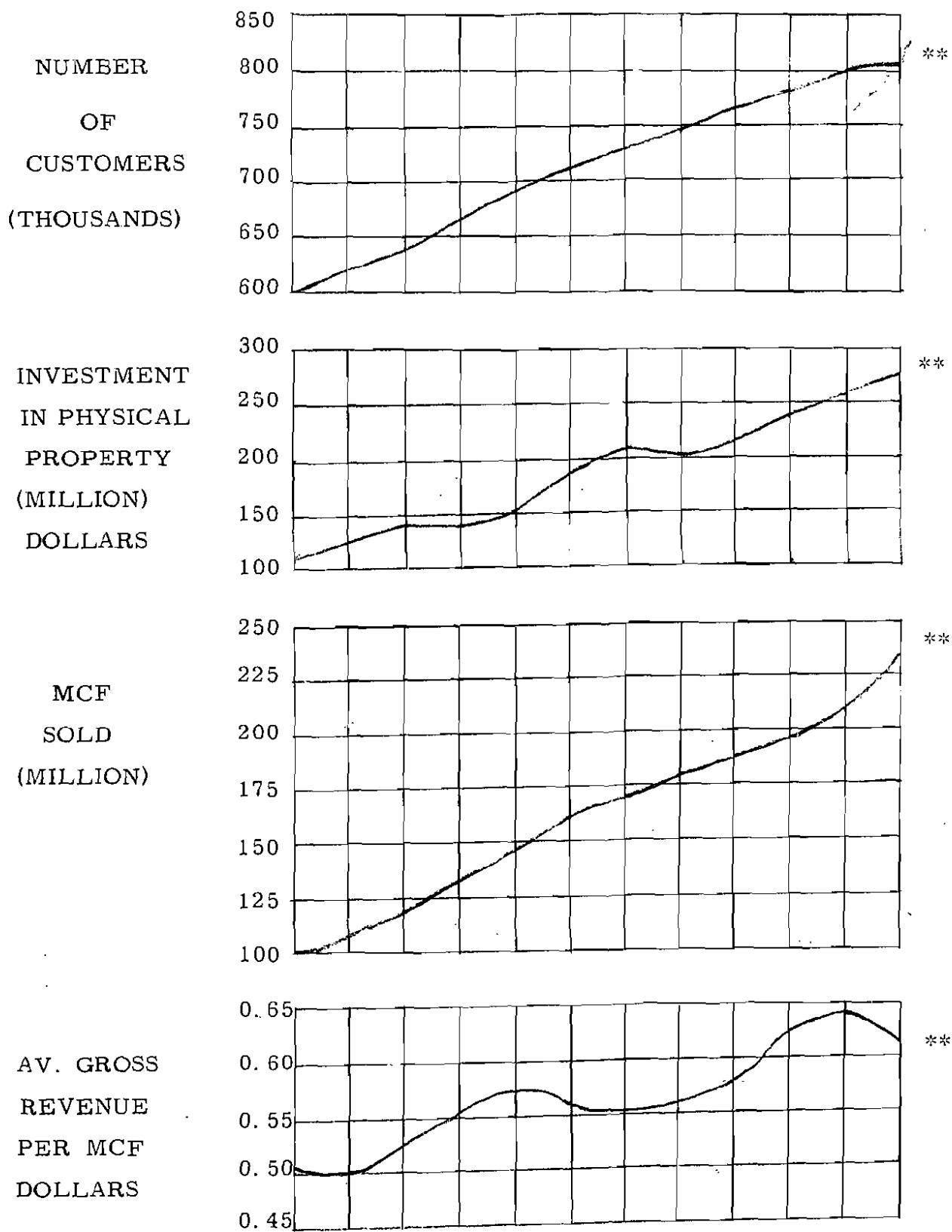
	1961	1962	% Increase
Investment Dollars	\$260, 261, 145	\$281, 598, 150	8
Number of Consumers	798, 055	817, 946	2
Av. Inv. Dollars per Consumer	331	344	4
Gas Sold - MCF			
Residential	119, 533, 620	131, 239, 051	10
Commercial	22, 697, 204	25, 565, 996	13
Industrial	64, 990, 305	75, 529, 246	16
Total	207, 221, 129	232, 334, 293	12
Gas Sold (\$)			
Residential	95, 772, 333	103, 111, 549	8
Commercial	15, 631, 128	17, 274, 691	11
Industrial	20, 237, 772	23, 093, 015	14
Total	131, 641, 233	143, 479, 255	9
Av. Rate per MCF Sold (\$)			
Residential	0. 801	0. 786	(2)
Commercial	0. 689	0. 676	(2)
Industrial	0. 311	0. 306	(2)
Total	0. 635	0. 618	(2)

* Does not include Municipal Utilities

() Denotes decrease

MISSOURI GAS UTILITIES *

1951-1962 STATISTICS



* Regulated by Missouri PSC

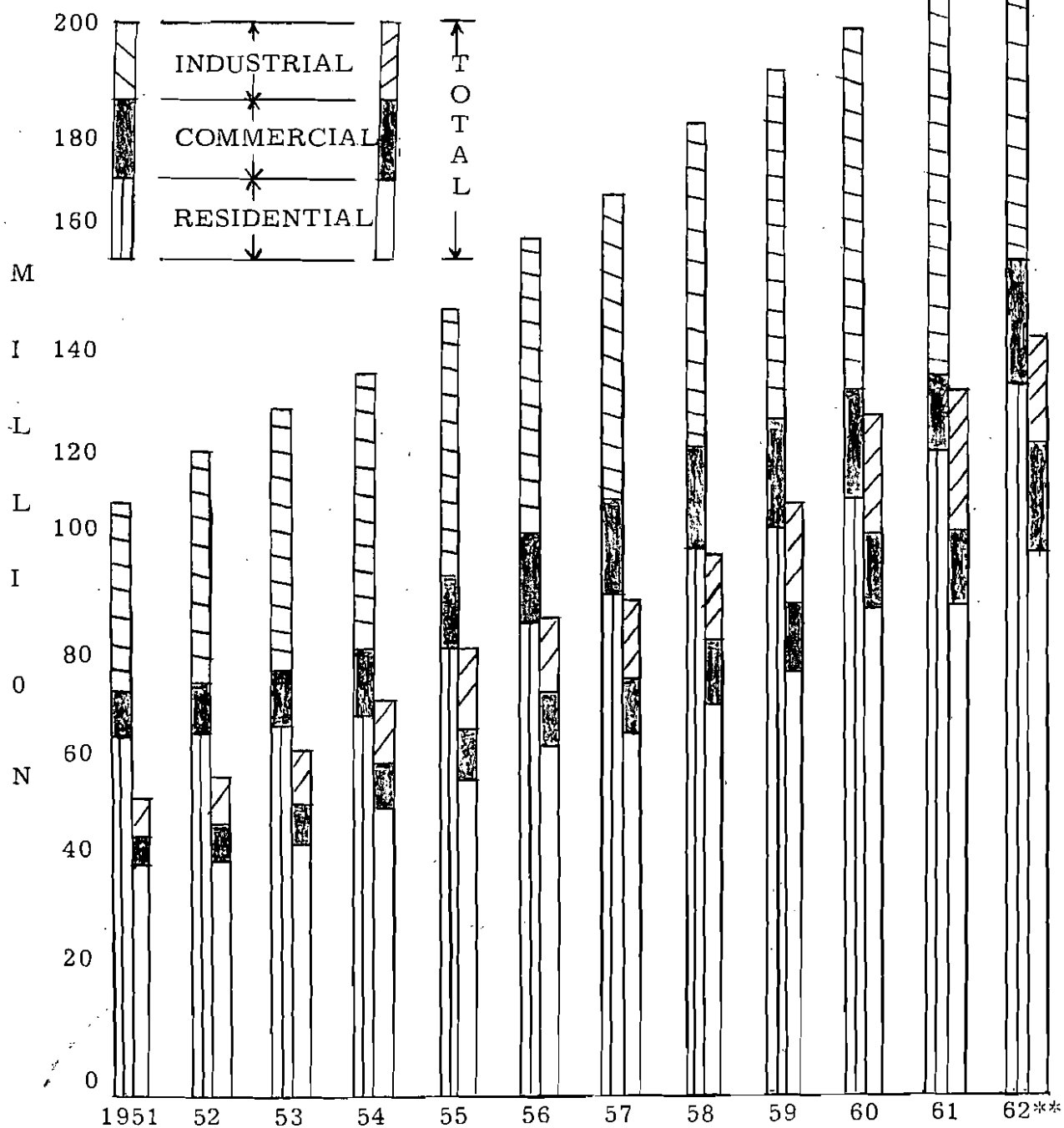
** December 31, 1962

MISSOURI GAS UTILITIES*

240

Total yearly consumption of Gas
and Charges paid by Consumers

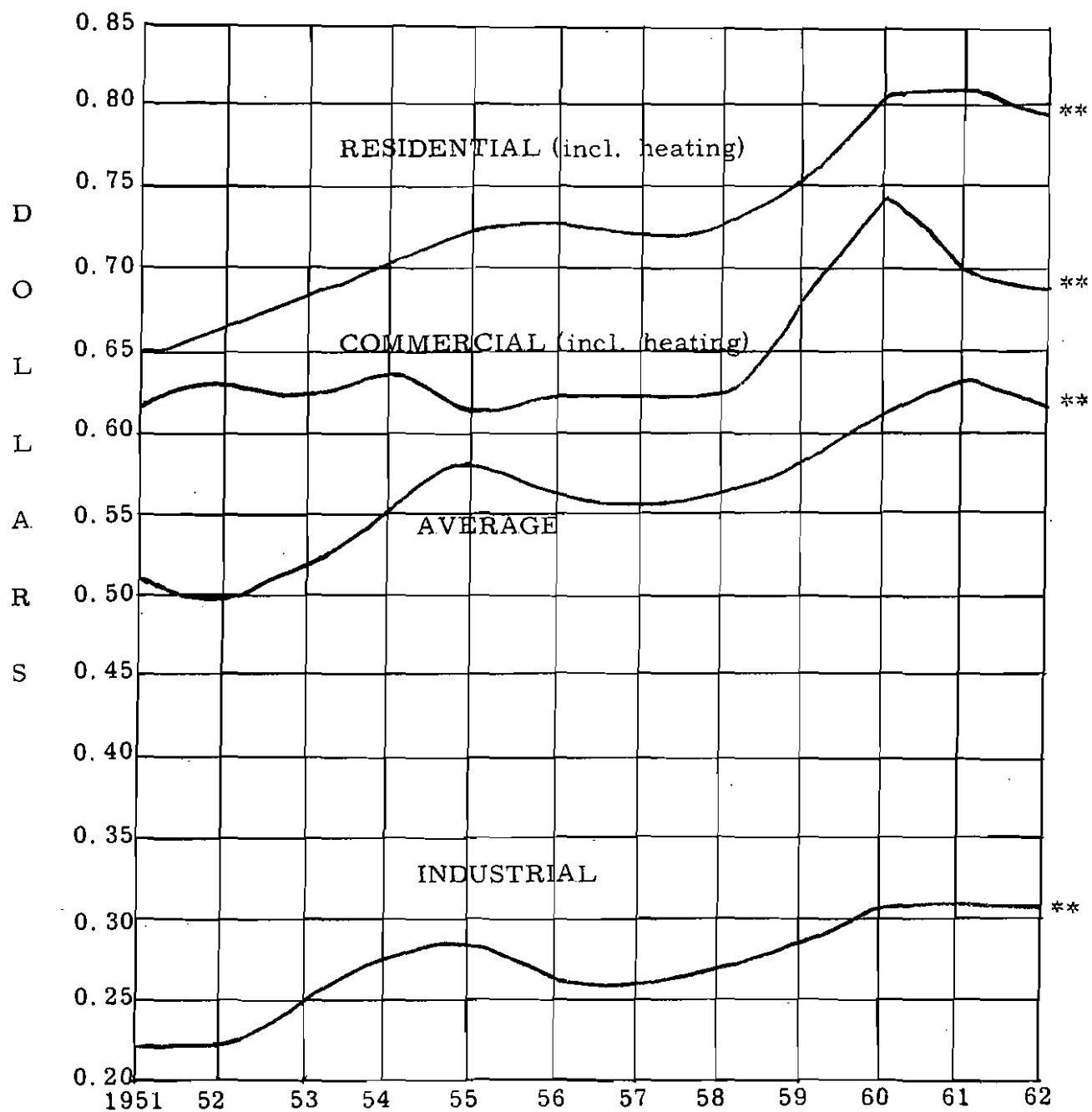
220



* Does not include Municipal Utilities

** December 31, 1962

MISSOURI GAS UTILITIES*
Average Gross Revenue in Dollars per MCF
for All Companies



* Regulated by Missouri PSC
** December 31, 1962

NATURAL GAS
TRANSMISSION COMPANIES

<u>COMPANIES</u>	<u>ABBREVIATION USED</u>
Cities Service Gas Company	C. S. G. Co.
Commercial Gas Pipe Line Company	C. G. P. L. Co.
Michigan-Wisconsin Pipe Line Company	M-W. P. L. Co.
Mississippi River Fuel Corporation	M. R. F. Corp.
Mississippi River Transmission Corporation	M. R. T. Corp.
Natural Gas Pipe Line Company of America	N. G. P. L. Co. of A.
Panhandle Eastern Pipe Line Company	P. E. P. L. Co.
Texas-Eastern Transmission Corporation	T-E. T. Corp.
Texas-Illinois Natural Gas Pipe Line Company	T-I. N. G. P. L. Co.
Western Missouri Gas Company	W. M. G. Co.

GAS COMPANIES AND COMMUNITIES

American Gas Company - M-W. P. L. Co.

Fairfax	Tarkio
Rockport	

Arkansas-Missouri Power Company - T. E. T. Corp.

Campbell	Hayti	Portageville
Caruthersville	Holland	Steele

Associated Natural Gas Company - T. E. T. Corp., T-I. N. G. P. L. Co.,
M. W. P. L. Co., N. G. P. L. Co. of A.

Adrian	Greentop	Morehouse
Amoret	Holcomb	Morely
Archie	Jackson	New Madrid
Benton	Kennett	Oran
Butler	Kirksville	Passaic
Chaffee	Lancaster	Puxico
Charleston	Lilbourn	Queen City
Clarkton	Malden	Sikeston
East Prairie	Matthews	Virginia

Bowling Green Gas Company - P. E. P. L. Co.

Bowling Green

Carl Junction Gas Company - C. S. G. Co.

Carl Junction
Smithfield

Citizens Gas Company - P. E. P. L. Co.

Hannibal

Gas Service Company - C. S. G. Co., P. E. P. L. Co., W. M. G. Co.

Alba	Holden	Oak View
Alma	Holt	Oakwood
Aurora	Houstonia	Oakwood Manor
Avondale	Houston Lake	Oakwood Park
Bates City	Independence	Odessa
Belton	Jasper	Palmyra
Billings	Joplin	Parkville
Blackburn	Kansas City	Peculiar
Blue Springs	Kearney	Pierce City
Buckner	Kingsville	Pilot Grove
Cameron	Knob Noster	Platte Woods
Carrollton	Lakeside	Pleasant Hill
Carterville	Lake Lotawana	Pleasant Valley
Carthage	Lake Tapawingo	Prathersville
Centerview	Lake Waukomis, City of	Prosperity
Clarksburg	Lamar	Purcell
Claycomo	La Monte	Raytown
Cleveland	Lathrop	Redding's Mill
Concordia	Lawson	Republic
Corder	Lee's Summit	Riverside
Crane	Liberty	Rural Territory
Diamond	Lone Jack	Saginaw
Duenweg	Marionville	St. Joseph
Emma	Martin City	Sarcxie
Excelsior Springs	Monett	Savannah
Fayette	Mosby	Seneca
Forest Park	Mt. Leonard	Slater
Freeman	Mt. Vernon	Smithville
Freistatt	Neck City	Stone's Corner
Galloway	Neosho	Sugar Creek
Gladstone	Nixa	Sweet Springs
Glen Aire	Norborne	Tipton
Grain Valley	North Kansas City	Turney
Grandview	Northmoor	Verona
Harrisonville	Ozark	Warrensburg
Hickman Mills	Oaks	Waverly
Higginsville	Oak Grove	Webb City
		Wentworth
		Windsor

Laclede Gas Company - M. P. F. Corp., M. R. T. Corp.

St. Louis, Missouri	Flordell Hills	Oakland
Arbor Terrace	Florissant	Olivette
Ballwin	Frontenac	Overland
Bella Villa	Glendale	Pagedale
Bellefontaine Neighbors	Glen Echo Park	Pasadena Hills
Bellerive Village	Goodfello Terrace	Pasadena Park
Bel-Nor	Grantwood	Pine Lawn
Bel Ridge	Greendale	Richmond Heights
Berdell Hills	Hanley Hills	Riverview
Berkeley	Hazelwood	Rock Hill
Beverly Hills	Hillsdale	St. Ann's Village
Breckenridge Hills	Huntleigh	St. George's Village
Brentwood	Jennings	St. John's
Bridgeton	Kinloch	Schuermann Heights
Bridgeton Terrace	Kirkwood	Shrewsbury
Calverton Park	Ladue	Sunset Hills
Charlack	Lakeshire	Sycamore Hills
Clayton	Mackenzie	Town and Country
Cool Valley	Manchester	University City
Country Club Hills	Maplewood	Uplands Park
Country Life Acres	Margona	Velda Village
Crestwood	Marlborough	Velda Village Hills
Creve Coeur	Marvin Terrace	Vinita Park
Dellwood	Mary Ridge	Vinita Terrace
Des Peres	Meadowbrook Downs	Warson Woods
Edmundson	Moline Acres	Webster Groves
Elmdale	Normandy	Wellston
Fenton	Northwoods	Westwood
Ferguson	Norwood Court	Wilbur Park
		Woodson Terrace
		Unincorporated

Missouri Edison Company - P. E. P. L. Co.
Louisiana

Missouri Natural Gas Company - M. R. F. Corp.

Bonne Terre	Farmington	Pevely
Crystal City	Festus	Poplar Bluff
De Soto	Flat River	Rivermines
Desloge (Leadville)	Fredericktown	Ste. Genevieve
Elvins	Hematite	
Esther	Herculaneum	

Missouri Power & Light Company - P. E. P. L. Co.

Boonville	Ladonia	North Boonville
Centralia	Martinsburg	Sturgeon
Farber	Mexico	Urbandale
Franklin	Moberly	Vandalia
Hallsville	New Franklin	Vandiver
Jefferson City	New London	Wellsville

Missouri Public Service Company - C. S. G. Co. , P. E. P. L. Co.

Brookfield	Henrietta	Richmond
Brunswick	Keytesville	Salisbury
Bucklin	Laclede	Sedalia
Chillicothe	Lexington	Tracy
Chula	Marceline	Trenton
Clinton	Marshall	Utica
Deerfield - see Nevada	Meadville	Weston
Glasgow	Nevada	Wheeling
	Platte City	

Missouri Utilities Company - P. E. P. L. Co. , T. E. T. Corp.

Advance	Delta	Lutesville
Bell City	Dexter	Marble Hill
Bloomfield	Essex	Painton
California	Glenallen	Perkins
Cape Girardeau	Illmo	Randles
Columbia	Kelso	Scott City
		Vanduser

Polo Gas Service, Inc. - Local wells

Polo

Rich Hill-Hume Gas Co. - C. G. P. L. Co.

Rich Hill

Hume

St. Charles Gas Corporation - M. R. F. Corp. , M. R. T. Corp.

St. Charles

St. Joseph Light & Power Company - M-W. P. L. Co.

Maitland

Maryville

Mound City

Suburban Gas Company of Kirkwood (Propane)

Forest Knell (Fenton)

Montego Hills (St. Louis County)

Suburban Gas Company of O'Fallon (Propane)

Subdivision of Steeplechase - St. Charles County

Parts of Cities of St. Peters and O'Fallon

Vernon County Gas Company (Local well)

Richards

Western Missouri Gas Company, Inc. - C. S. G. Co.

Gas Service Company

Telephone Service in Missouri

Telephone service is provided throughout the State of Missouri from a total of 697 exchanges as of December 31, 1962. There are 177 Independent Commercial and Mutual Companies operating 524 exchanges and the Southwestern Bell Company operates 173 exchanges.

A total of 1,894,940 telephones, Bell and Independent were in service on December 31, 1962. This was an increase of 75,797 or 4.2 per cent over the number in service December 31, 1961.

Of these telephones 1,842,950 or 97 per cent were dial at the end of 1962.

Telephone users in Missouri have access to good quality long distance service. In 1962, 77 million long distance calls were originated in the state, an increase of 8 per cent over 1961. Facilities have been provided for the direct dialing of long distance calls from 587,000 main telephones, and 1,259,000 main telephones are equipped to receive direct dialed long distance calls.

Extended area service with toll free calling is furnished in over a hundred exchanges in the state.

Wide area telephone service, which permits business users to call all telephones in the state or in the nation on an unlimited basis, was introduced in 1961. Usage of this service has increased from 100 lines in December, 1961, to 300 in May, 1963.

Dial teletypewriter switching was introduced on a nation wide basis in September, 1962.

Centrex PBX service, which permits the direct dialing of incoming and outgoing calls from PBX extension stations, is now available for large PBX users. There are four such systems presently installed.

The present population of Missouri is estimated to be 4, 430, 000, an increase of 11 per cent in the past 12 years. In the same period the total number of telephones has increased 65 per cent and the per cent of families using telephone service increased from 63 per cent to 75 per cent. In the next 10 years the per cent of families using telephone service is expected to be around 80 per cent.

Missouri

Pertinent data about the telephone industry in Missouri.

Telephones in State

Telephones (Main & Extensions)			
<u>6/30/62</u>			
	<u>Bell</u>	<u>Ind.</u>	<u>Total</u>
Business	441, 774	52, 742	494, 516
Residence	<u>1, 108, 575</u>	<u>229, 495</u>	<u>1, 338, 070</u>
Total	1, 550, 349	282, 237	1, 832, 586
Gain	-	-	-
<u>6/30/63</u>			
	<u>Bell</u>	<u>Ind.</u>	<u>Total</u>
Business	458, 367	55, 468	513, 835
Residence	<u>1, 150, 963</u>	<u>239, 741</u>	<u>1, 390, 704</u>
Total	1, 609, 330	295, 209	1, 904, 539
Gain	58, 981	12, 972	71, 953
<u>No. of Telephone Exchanges or Zones</u>	192	526	718
<u>No. of Telephone Companies</u>	1	165	166
<u>Per Cent Dial of Total Telephones</u>	99. 1	94. 4	98.4
<u>Per Cent of Tels. with D. D. D.</u>	<u>12/31/62</u>		
Inward Dialing	99. 1	91. 4	96. 5
Outward Dialing	56. 6	6. 1	48. 8
<u>Exchanges converted to Dial</u>	<u>6/30/62 to 6/30/63</u>		
Number of Exchanges Converted	* 6	* 48	54
Scheduled for Next 12 Months	* 9	* 54	63

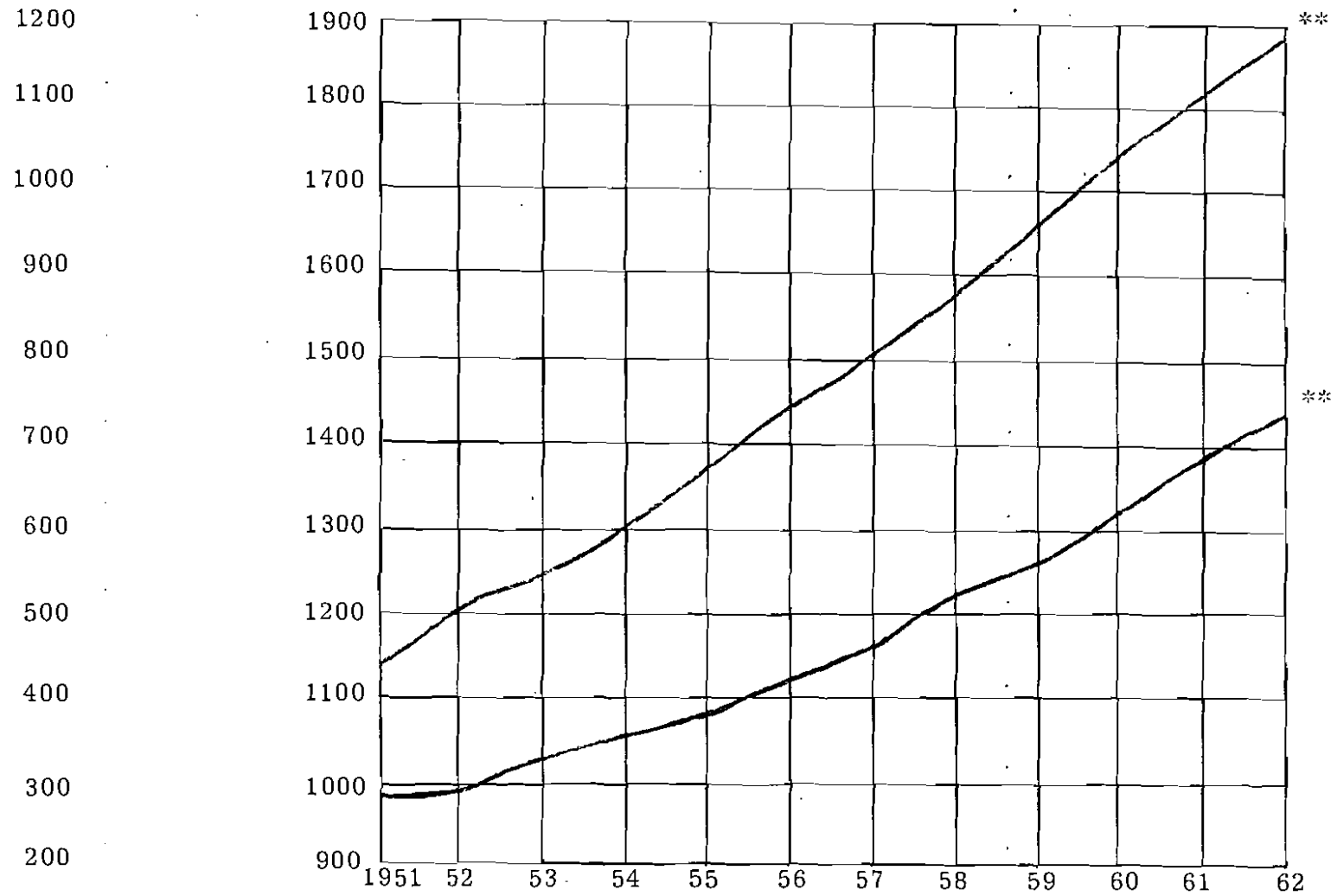
* Includes Dial to Dial Replacements

During this report period nineteen (19) heretofore Mutual Telephone companies ceased operations and were merged with various independent companies operating in their particular area.

TELEPHONE UTILITIES *

PLANT IN SERVICE
(MILLION \$)

TELEPHONES IN SERVICE
(THOUSANDS)



* Missouri PSC Regulated

** December 31, 1962

HIGHLIGHTS IN THE HISTORY OF WESTERN UNION

	Year
Western Union was first formed as a corporation under the name of New York and Mississippi Valley Printing Telegraph Company.	1851
Upon the acquisition of several western lines, the company was re-named The Western Union Telegraph Company.	1856
Western Union completed the first transcontinental telegraph line in three months and 20 days.	1861
Western Union introduced its multiplex system which permitted the simultaneous transmission of several messages over one wire.	1915
Western Union installed its first teleprinters.	1923
Western Union established point-to-point facsimile service.	1935
Western Union placed the country's first commercial microwave system into operation.	1945
Western Union developed and installed the first underwater repeater in a transatlantic cable.	1950
Western Union designed and built the first communications system for use in data processing.	1954
Western Union introduced Telex service - a direct-dial, customer-to-customer teleprinter service - between New York and Canada.	1958
Western Union inaugurated Wirefax, a public facsimile service linking New York, Washington, Chicago, Los Angeles and San Francisco.	1959
Western Union entered the field of Private Voice and Alternate Record/Voice Communications.	1962

While the Western Union is one of the oldest if not the oldest communication utility and one that has gone through many changes, it is encouraging to note that that Company is offering new classes of service to its customers, largely on an interstate basis. Most of the regulation governing the activities of that Company are under the jurisdiction of the Federal Communications Commission but there yet remain many problems involved in intrastate matters.

It has been necessary to allow the railroads to close additional numbers of the smaller railroad stations throughout the State and since the agent of the railroad generally handles telegraphic communications for the public, the closing of the railroad stations has made it necessary to close many telegraphic services at those points. It is true also that the Western Union has closed a number of its local offices in various points throughout the larger cities. However, it appears from reports coming to the Commission from or concerning the Western Union that it has been able to offset the losses it has experienced in the closing of many of its smaller stations by improvements made in the system generally. By mechanizing and arranging a number of strategically located message centers, the Company is able to transmit messages almost immediately without manual retransmission at any point. It has substituted electronic transmission for manual transmission of its telegrams and enlarged its capacity for serving much greater traffic.

Telegraphic systems and plants are being modernized so that they can transmit messages by radio beam, carrier equipment, or private wire systems. These services include the sending of communications by telegraph with certain types of dialing facilities available to the subscriber, which enables the subscriber to send written communication direct to another subscriber. With these modernization facilities it appears that the Company is enjoying a growing business that enables it to make greater uses of the improvements in this

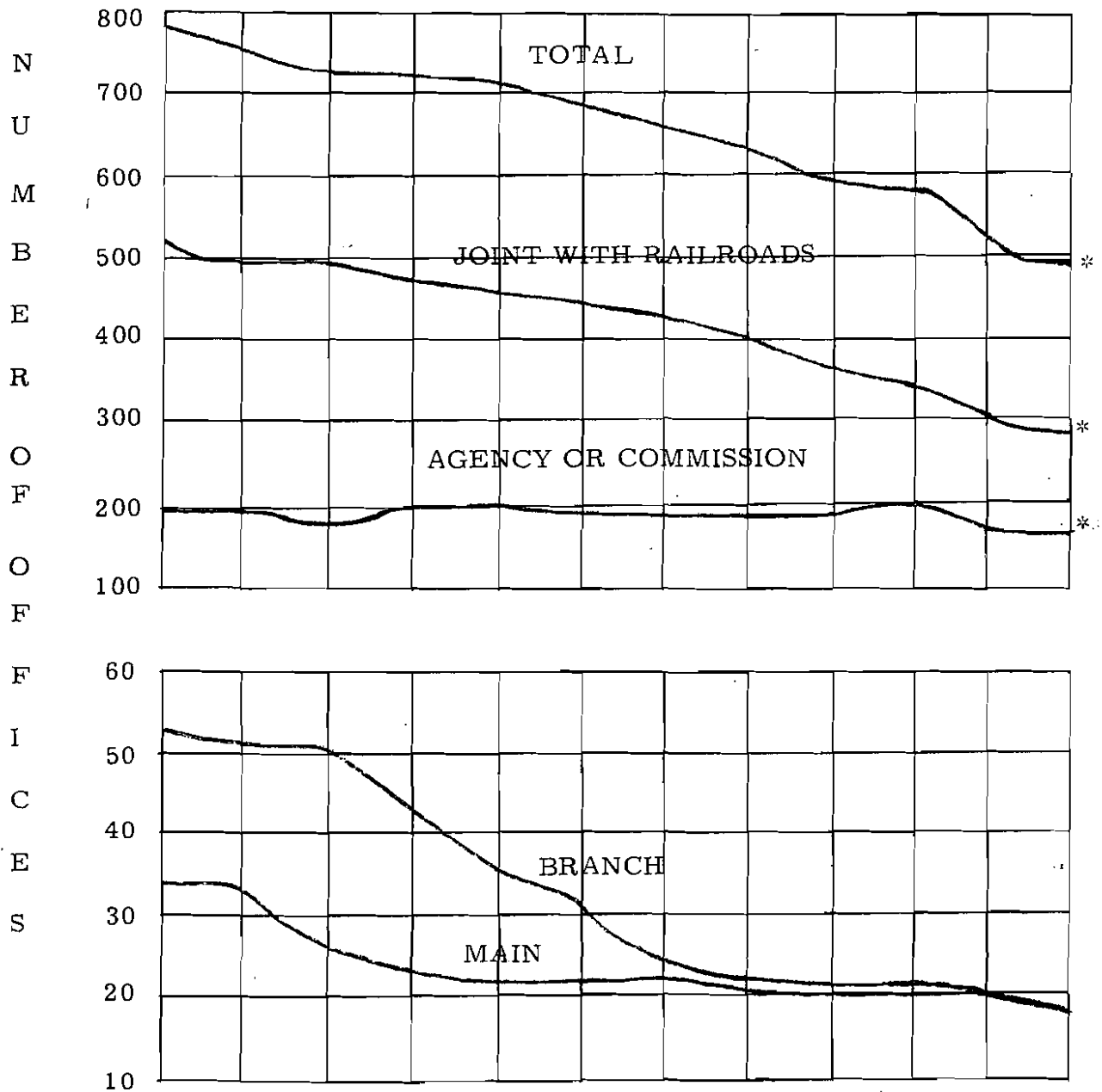
telegraphic system.

In 1951 Western Union had 34 main offices; in 1962 there were 17, a decrease of 50%. In 1951 they had 53 branch offices; in 1962 there were 18, a decrease of 66%. In 1951 Western Union had 505 joint offices with railroad companies; in 1962 they had 284, a decrease of 44%. In 1951 they had 187 agency and commission offices; in 1962 they had 175, a decrease of 6%. The total of offices operated in 1951 was 779; in 1962 it was 494, a decrease of 37%. This information is shown graphically on page 47.

Steam Heat

A few steam heating plants in Missouri continue without much change or expansion. Those systems are used to supply steam for space heating in the heavy business district of our largest cities and since the advent of natural gas throughout the State there is not much to encourage steam heating utilities to attempt to extend their facilities to new areas.

WESTERN UNION TELEGRAPH OFFICES



* December 31, 1962

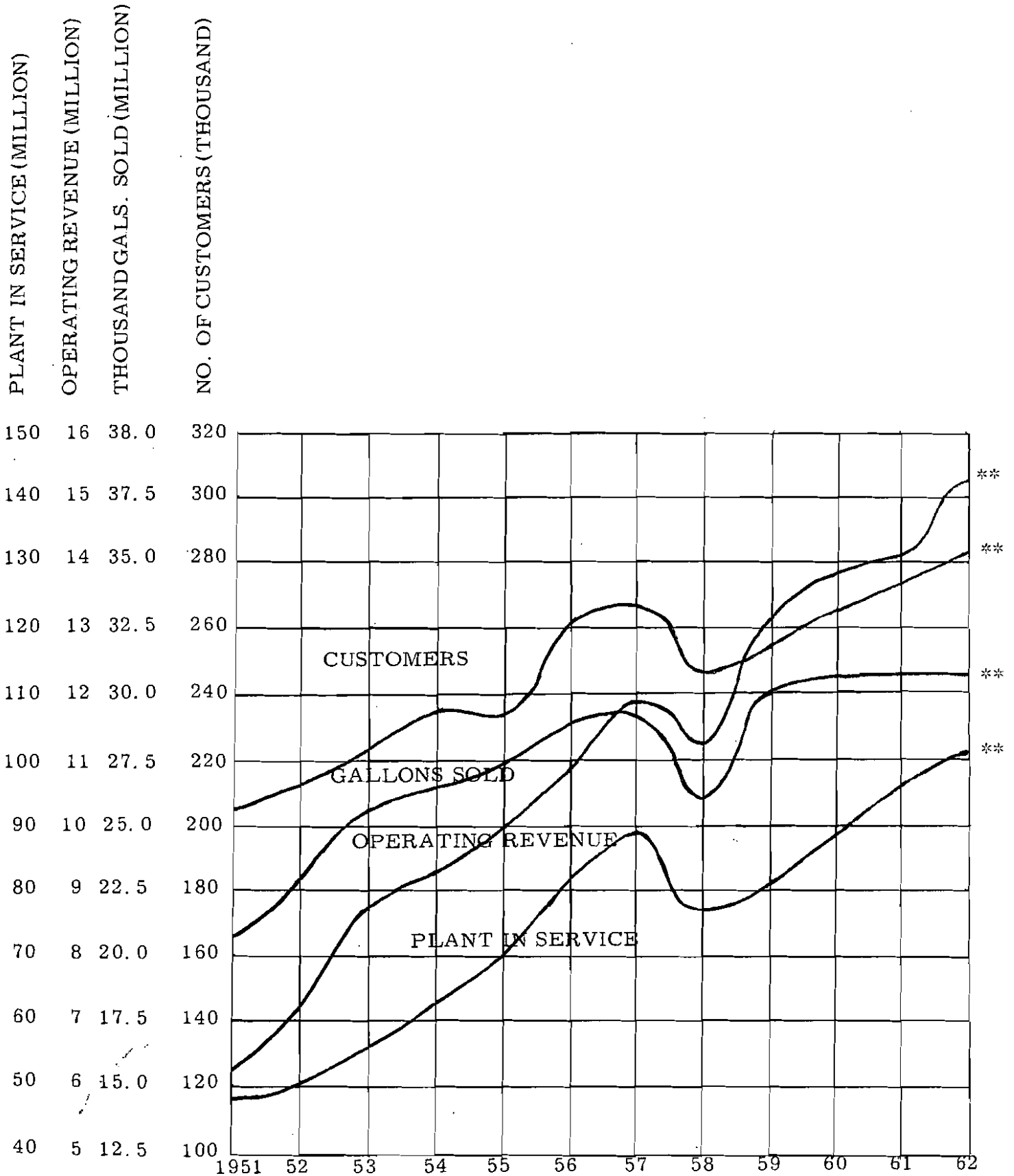
Water

Water utilities throughout the State have found it necessary to continue to expand their properties. However, during the current period their expansion problems have not been so severe as during the drought of a few years ago, which required large expansion of the systems to provide water for the operation of air-conditioning units.

During the current period there have been a number of small water utilities created by persons engaged in real estate outside of or beyond municipalities at distances from the local municipal system too great to justify the extension of water transmission lines to the subdivisions being developed. Most of these subdivisions have occurred in an area in the State where ground water is available by the drilling of wells. It has been necessary to allow the developers to establish the systems as public utilities, and in order to conform to the law they have been granted certificates of convenience and necessity to operate such systems as a public utility.

During the period of 1951 to 1962 there has been a continuous growth in the number of customers served, the gallons of water sold, the revenues received and the investment in plant required to render satisfactory water service, except for the year 1958. That drop was caused by increased rainfall during 1958 and by the fact that one of the larger regulated water utilities was sold to the municipality then being served. No report was then forthcoming from that municipality. The chart on page 49 shows the expansion in that service during the period of 1951 to 1962.

WATER UTILITIES *



* Missouri PSC Regulated

** December 31, 1962

TRANSPORTATION RATE DEPARTMENT

General

It is the responsibility of this department to assist and advise the Commission in the administration of the law providing for the regulation of rates, fares and services of railroads, motor carriers, street railways, freight forwarders, the Railway Express Agency and the Pullman Company.

Each common carrier is required by law to file with the Commission and post at its stations for public inspection tariff schedules showing the rates, fares and charges for the transportation of passengers and property within the state. Terminal charges, storage charges and charges for any other accessorial services which may be performed by the carrier must also be specified in its tariffs. Except with prior authority from the Commission, which is granted only for good cause shown, any new rate or charge or changes in existing rates and charges must be published and filed on thirty days' notice. Each new tariff schedule filed with the Commission is received and examined by personnel of this department to determine if there is reasonable compliance with the tariff circular requirements and if notice to the public has been provided as required by statute. Last year the department received, examined and filed 3,889 railroad freight rate schedules, 547 railroad passenger fare schedules, 54 express rate schedules, 1,147 truck rate schedules and 480 motor bus fare schedules. Of the total number of schedules filed only 165 were issued on less than statutory notice or departed in some manner from the Commission's tariff rules by special authority obtained prior to the tariff filing. Only one tariff filing was rejected for failure to give statutory notice. A heavy volume of correspondence is maintained with carriers and tariff publishing agents pertaining to correction of improper or objectionable tariff publications and in most instances corrections are made before

the schedules become effective.

After examining new tariff filings the department makes recommendations and suggestions to the Commission as to whether proposed changes in rates and charges should be permitted to become effective or should be suspended for investigation. If it appears that the public interest may be adversely affected or if complaints are made by competing carriers or shippers the effective date of the rate change is suspended and a hearing assigned to determine whether the new rates and charges are in all respects just and reasonable. In initiating and disposing of rate investigation and suspension proceedings last year the department prepared 20 recommended orders for consideration by the Commission.

The department maintains the file of time schedules of motor carriers of passengers operating over regular routes. Last year 114 new or amended time schedules were received. Each time schedule is examined to determine whether the proposed changes may result in inadequate service or whether the public may be otherwise adversely affected. Schedules that propose any substantial change in service are called to the attention of the mayor or postmaster of the affected communities and if there are protests made as to the proposed changes, which cannot be resolved by handling informally with the carrier, the department recommends to the Commission that the changes be suspended and a hearing held for the determination of the reasonableness of the new schedules. Where the carrier proposes to discontinue the last remaining passenger service a hearing is also held. The department participates in these hearings, submitting such evidence as seems desirable for proper determination by the Commission.

Every effort is exerted to obtain compliance with statutory and regulatory requirements respecting the publishing and filing of rate and time schedules and the carriers are generally anxious to comply, but occasionally through lack of knowledge or other reason the carriers

cannot be prevailed upon by correspondence or through personal contact to comply and it is necessary to suspend their operating authority until the requirements are met. During the period of this report it was necessary to suspend the authority of 20 motor carriers because of their failure to file tariffs or time schedules as required or to establish rates prescribed by the Commission. Such suspensions are lifted as soon as the requirements have been met and by the end of the period the authority of 18 of the carriers had been reinstated.

In addition to schedules naming rates and charges for intrastate service the department maintains an extensive file of interstate tariffs of various transportation agencies and a number of tariffs applicable for intrastate transportation in other states. These tariffs are used by the department and others for rate comparisons and they are frequently used to supply rate information to the Department of Commerce and Industrial Development.

The department has the responsibility of receiving and acknowledging protests and objections to proposals for the discontinuance of passenger and freight train service as well as the consolidation, dualization or abandonment of agency stations and to obtain information necessary to determine whether such matters should be set for hearing. The department is represented in hearings before the Commission when rates and services of transportation agencies are involved and testimony is offered by department personnel when it seems appropriate or necessary to inform the Commission of all the facts. Personnel of the department also participate on behalf of the Commission in proceedings before the Interstate Commerce Commission involving rates and services of transportation agencies operating within Missouri.

The department assists in the processing of motor carrier applications for temporary authorities, permanent authorities and consolidation and transfers of operating rights. During the past year

192 restatements of operating authorities were prepared for use in transfer orders or in orders granting additional authority. The initial recommendation on applications for temporary authority is made by the department. During the past year 107 recommended orders to grant, deny or extend temporary authorities were prepared.

In order to keep itself and the Commission informed with respect to transportation conditions in Missouri and throughout the country the department accumulates and compiles statistical information of Missouri intrastate rail and motor carrier operations and receives and analyzes various statistics released by other state commissions, the Interstate Commerce Commission and various transportation associations.

The department renders assistance to the public and carriers in connection with their transportation rate and service problems. Hundreds of informal complaints on an extremely broad range of subjects are received annually. Many of the complaints are handled by correspondence, but some of the complaints require rather extensive investigation. During the past year 63 specific complaints or requests for investigation were placed in the hands of the department's service inspector for handling. Other members of the department also participate in these investigations. Complete reports were submitted in each instance to the head of the department. As a result of most of the investigations made by the service inspector and other employees of the department information was developed which resulted in citation proceedings before the Commission. In initiating and disposing of these proceedings, the department prepared 47 recommended orders for approval by the Commission.

Railroad Rates and Operations

There were no general increases in railroad freight rates and charges during the past year. The railroads continued their efforts

to reduce operating costs by eliminating unprofitable operations and closing stations where there is little business. The Missouri Pacific Railroad has been especially active in dualizing stations, that is, using the same agent on a part time basis at two or more stations. Hearings were assigned during the past year to determine whether the public would be adequately served by the announced plans to dualize stations at Tipton and Syracuse, North Des Arc and Annapolis, Morley and Oran, Galena and Reeds Spring, Barretts and Valley Park, Hermann and New Haven, Holden and Pleasant Hill, and Butler and Rich Hill. Discontinuance of passenger trains during the past year included two trains of the CB&Q Railroad between St. Louis and West Quincy and one train of the Missouri Pacific from Poplar Bluff to the Missouri-Arkansas State Line near Neelyville.

Rail carloadings for the first 26 weeks of 1963 were 1.2% below those for the same period in 1962 and 4.5% ahead of those for the same period of 1961. Because of the continuing increase in the size of railroad freight cars and heavier loading it is estimated that the ton miles generated by carloadings for the first half of 1963 exceeded those in the same period of 1962 by 3.7% and those in 1961 by 13.9%. Trailer-on-flatcar service continued to show good gains. "Piggyback" loadings for the first 6 months of 1963 showed an increase of 13.5% over the same period in 1962 and 36.3% over 1961. The number of railroads handling this type of traffic increased to 61 in 1963 as compared to 60 in 1962, 58 in 1961 and 53 in 1960.

The St. Louis-San Francisco Railway and Wabash Railroad, after a public hearing, were permitted to increase their first class and coach fares by 10% effective May 1, 1963 but a comparable increase in fares of the Missouri Pacific, whose fares were already at the level proposed by the Frisco and Wabash, was not approved pending the outcome of a further hearing. Other railroads providing passenger service in Missouri elected not to increase their

fares and thus passed on to their patrons the saving of 10% resulting from the elimination of the federal transportation tax in November, 1962.

Railway Express Operations

Several Railway Express agencies were closed during the past year, occasioned for the most part by the closing of railroad stations and discontinuance of passenger service. In some communities the result has been that Railway Express Service is no longer available but in other areas the express agency has sought to continue service by extending the terminal limits of its remaining stations to include towns as much as 45 to 50 miles away, with the enlarged terminal area being served by its pickup and delivery vehicles. The Railway Express Agency has generally sought motor carrier certificates to operate its vehicles over the public highways to effect this new type of service and to the extent that it has been able to show that such authority is needed it has granted appropriate certificates.

On January 1, 1963, the Railway Express Agency placed in effect a new rate schedule which increased all class rate charges in the Middlewest. Express class rates in the Middlewest continue to be slightly lower than the class rates in the Eastern and Mountain-Pacific sections of the United States, but the new increased minimum charge of \$2.90 per shipment applies in all territories. The Railway Express Agency has continued its policy of establishing reduced commodity rates on various types of commodities in order to attract additional business to express service.

Truck Rates and Operations

The rates for truck operators specializing in such service as the transportation of household goods, petroleum products in tank trucks, heavy machinery and bulk commodities in dump trucks were

not changed during the past year. Motor carriers of general commodities continued to operate on rates and charges established effective March 15, 1961, pursuant to Report and Order of the Commission dated February 15, 1961 in Case T-19,437. However, on March 11, 1963, a petition was filed with the Commission on behalf of several motor carriers seeking increases in their rates and charges to offset increased operating costs. The matter was assigned for hearing and was partially heard on June 18, 1963 and was continued to July 5, 1963. On the basis of the record made at the initial hearing the Commission was convinced that operating results of the carriers were sufficiently unfavorable as to warrant an immediate interim increase of 10% in the class rates and minimum charges pending completion of the proceedings and a more thorough consideration of all the evidence. The interim increase was authorized to be made effective July 10, 1963.

Reports filed with the Commission indicate that Missouri motor carriers continued to show increases in their revenues and tonnage hauled. In 1963 the Class A carriers reported total intrastate revenues of \$13,311,051 for transporting 707,743 tons of freight, as compared to total intrastate revenues of \$13,276,182 for transporting 698,964 tons in 1961.

Intercity Bus Fares and Operations

The major intercity bus lines and most of the smaller carriers maintained the same level of fares as last year, therefore, elimination of the federal tax on passenger transportation effective November 16, 1962 resulted in a 10% reduction for their patrons just before the holiday season. Three of the smaller carriers increased their rates in amounts ranging from 5% to 20% shortly after the transportation tax was abolished. The number of bus runs of the major carriers remained relatively stable throughout the year, but the smaller carriers continued to curtail service in order to balance operating costs and

revenues.

Transit Fares and Operations

In accordance with an agreement dated October 16, 1962, the equipment and facilities of St. Louis Public Service Company were purchased by the Bi-State Development Agency of the Missouri-Illinois Metropolitan District and operation of the transit system in the St. Louis area was commenced by the Bi-State Agency on April 1, 1963.. Bi-State is a governmental agency created by a compact of Missouri and Illinois pursuant to acts of their respective legislatures (Section 70.370, RSMo. 1959) and ratified by an act of Congress of the United States. The Bi-State Metropolitan District includes the City of St. Louis and the Counties of St. Louis, St. Charles, and Jefferson in Missouri, and the Counties of Madison, Monroe and St. Clair in Illinois. Among other things Bi-State is authorized to acquire by purchase and to operate and maintain passenger transportation facilities. In addition to St. Louis Public Service Company, Bi-State acquired properties of St. Louis County Transit Company, Ferguson-Broadway Bus Line, V-K Buslines and other companies providing transit service in Madison, Monroe and St. Clair Counties, Illinois, all of which are now operated as a single area-wide system. As the Bi-State Agency was given its powers and authorities by the Legislature, it is assumed its fares and services are not subject to regulation by the Commission.

During the past year there were no changes in the fares of Kansas City Transit, Inc., for providing transit service in the Kansas City area. The fare structure includes an adult cash fare of 25¢, children's fare of 10¢ and a 3¢ transfer charge.

The St. Joseph Light and Power Company, which provides transit service in St. Joseph, continued to operate on fares which were made effective originally on April 27, 1958. Its tariff schedule provides for an adult cash fare of 15¢, 7 tokens for \$1.00 and a children's

fare of 10¢. For students holding a proper identification card the fare is 10¢.

Railroad and Street Railway Mileage

Class 1 railroads serving Missouri had a combined track mileage of 10,960 miles on December 31, 1962 as compared to 11,043 miles on December 31, 1961. The reduction in mileage resulted principally from the abandonment by the Chicago, Burlington and Quincy Railroad of approximately 27 miles of main line track between Cameron Junction and Kearney as approved by the Interstate Commerce Commission in Finance Docket No. 21624 and abandonment by the Missouri Pacific Railroad Company of approximately 34 miles of main line track between Jefferson City and Eldon as approved by the Interstate Commerce Commission in Finance Docket No. 21832. All other changes in track mileages reported by Class 1 railroads were of a minor nature.

No change was reported in the street railway trackage of St. Louis Public Service Company. There are no other street railways now operating in Missouri.

Except for a slight reduction in mileage operated by the Kansas City Connecting Railroad Company the mileages reported by the small railroads in Missouri were the same as a year ago.

The following table shows the railroad mileage in Missouri operated by the various railroads as of December 31, 1962:

RAILROAD MILEAGE OPERATED IN MISSOURI AS OF DECEMBER 31, 1962

Class I Railroads	Main Line Tracks	Second Main Tracks	Other Main Tracks	Passing Tracks Crossovers Turnouts	Way & Yard Switching Tracks	TOTALS
A.T. & S.F. Ry. Co.	308.17	197.85	26.54	41.47	65.50	639.53
C.B. & Q. RR. Co.	1,283.82	31.30	-	141.77	344.51	1,801.40
C.G.W. Ry. Co.	101.22	3.61	-	10.15	22.66	137.64
C.M. St. P & P RR. Co.	155.97	57.46	12.45	32.73	105.30	363.91
C.R.I. & P. RR. Co.	509.88	69.60	27.60	51.45	126.09	784.62
G.M. & O. RR. Co.	245.97	11.59	-	46.65	50.43	354.64
I.T. RR. Co.	2.54	-	-	.41	8.72	11.67
K.C.S. Ry. Co.	202.28	10.33	-	40.12	133.34	386.07
M-I RR. Co.	173.50	4.35	-	16.55	30.34	224.74
M-K-T RR. Co.	391.26	18.84	-	53.18	87.47	550.75
Mo. Pac. RR. Co.	1,406.77	208.59	3.29	172.12	555.21	2,345.98
St. L.-S.F. Ry. Co.	1,430.45	31.10	-	164.59	397.89	2,024.03
St. L. S. W. Ry. Co.	219.09	14.79	-	21.42	32.99	288.29
U. P. RR. Co.	1.98	1.54	-	5.96	12.47	21.95
Wabash RR. Co.	627.96	62.80	13.31	100.11	220.36	1,024.54
TOTALS	7,060.86	723.75	83.19	898.68	2,193.28	10,959.76

Street Railways:

St. Louis Public

Service Company	25.53	25.53	-	4.61	6.46	62.13
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Small Railroads:

Bevier & Southern Railroad Co.	-	-	-	-	-	15.33
Hannibal Connecting Railroad Co.	-	-	-	-	-	5.68
Kansas City Connecting Railroad Co.	-	-	-	-	-	4.65
Missouri & Illinois Bridge & Belt Railroad Co.	-	-	-	-	-	3.48

TOTALS

29.14

DEPARTMENT OF RAILROAD SAFETY

From July 1, 1962 to January 1, 1963, inspections were made by this Department on many railroads in the State, including industrial tracts and where hazards existed they were brought to the attention of management. The hazards included sub-standard clearances, trash and debris along tracks, insecure footing, sanitary conditions of station rest rooms, employee rest rooms, and violations of General Order No. 24. In most cases, where an inspection revealed an improper condition it was called to the attention of the trainmaster or superintendent and the conditions were readily corrected.

The Department has investigated numerous railroad grade crossing complaints. Where weeds and buildings, or other objects, obstruct the view of a crossing they were, when practical, removed.

The inspection of railroad operating equipment has been carried out and where defects involving the safety of employees were found, they too were brought to the attention of the railroad and such conditions were corrected. On some occasions follow-up inspections were necessary.

The Department has received splendid cooperation from all parties concerned.

LEGAL DEPARTMENT

The duties of the Legal Department are many and varied and during the past fiscal year continued to expand, largely as a result of increased business in the Commission generally. They include many conferences with members of the Commission and the technical staff, advising them upon the legal problems that arise in the daily routine of business. The General Counsel, with his assistants, gives opinions and advice to the public as to their rights under the Missouri Public Commission law and the legal methods and procedures pertaining thereto. Numerous individuals or their attorneys, as well as various public officials, have conferred with members of the Department and have received advice and opinions, both oral and written, with respect to the matters within the scope of its prescribed functions. A considerable volume of correspondence directed to the Commission is referred to the General Counsel for reply.

This Department has continued to work with other state agencies on matters of mutual and public concern. Various problems concerning the enforcement of the Bus and Truck Act by the Missouri State Highway Patrol have arisen during the past year and our advice and opinions have been sought by and readily given the Patrol on such matters.

Members of the Department have, on many occasions, accompanied Bus and Truck inspectors when safety inspections and compliance checkups were being made. A member of the Legal Department, on the scene at the time of inspection, facilitates prompt disposition of a legal problem. Many penalty suits have been instituted in Circuit Court and penalties collected for violations of the Bus and Truck Act and Commission Orders. Funds so collected go to the Public School Fund.

Considerable attention has been given to the problem of licensing motor vehicles, operating in interstate commerce, by non-residents of the State, and in this work the Department has cooperated with the

Missouri Highway Reciprocity Commission. The existing reciprocity contracts, between Missouri and other states, have been reviewed and conferences held, in some instances with officials of other states, in order to revise them and bring them up-to-date.

The Legal Department has appeared in all rate and valuation cases heard by the Commission and in cooperation with the Commission's technical staff, it has presented the Commission all available facts and information which it believed to be pertinent and in the public interest. The Department has actively participated in all other cases involving the public interest as the public's representative. Oftentimes individuals and groups appear before the Commission without legal assistance and the General Counsel and his staff assist and advise such individuals and groups in properly presenting their views on interested matters, so that the Commission may be fully informed thereon.

The staff attorneys have often acted as hearing examiners and have heard many cases during the past year, thereby aiding the Commission in disposing of its crowded docket in a prompt and an orderly manner. They have also prepared suggested Report and Orders which are submitted to the Commission for consideration.

The legal staff has appeared in all cases, in both State and Federal Courts, in which the Commission had an interest. These cases included litigation which arose in the courts in the first instance and also cases which originated before the Commission and were on review by or appeal to the Circuit or Appellate Courts. It has presented to the Courts the Commission's views on the issues, and it has vigorously prosecuted such litigation to its final conclusion. Considerable time is obviously needed in preparing arguments, writing briefs, presenting evidence and otherwise properly representing the Commission in the various courts. During the last fiscal year period some twenty to twenty-five cases were taken to such courts on review or appeal from the Commission and in most every instance the upper courts eventually

upheld the Commission, attesting to the staff's diligence in protecting the Commission's interest.

Reviewed, or appealed Orders involved questions of importance, not only to the companies or litigants involved, but also to the Commission itself as a basis or guide to future regulation and the possible future public effects.

In many such cases, the question involved is a request to increase rates for some utility such as gas, electric, water, telephone, railroad, or bus and truck.

The companies are always represented by competent counsel and the applicants' evidence before the Commission is usually detailed and technical, requiring experts in the various fields of rates. Cities, towns and other local communities oftentimes intervene to protest the proposed increase and often present evidence against such increase. The evidence of company witnesses and exhibits are carefully studied and analyzed to enable the Counsel's staff to intelligently and properly participate in the hearing and to present evidence from the Commission's technicians, who also make studies of the company's books and records for preparation of exhibits and offering testimony.

The General Counsel also cooperates with and assists the cities, towns and other protestants in the presentation of their case and quite often appears for and presents evidence for individuals or groups of citizens in such cases when they have no counsel. The General Counsel makes a diligent effort to see that the interest of the Commission and the general public are fully protected and that a full and complete record is made to include all the pertinent evidence and the views of all interested parties, so that the Commission may study such record and render a decision thereon.

The procedure briefly outlined for rate cases is likewise applicable to many types of cases which are heard by the Commission and in which the General Counsel engages. These cases, among others,

include actions by railroad companies to close or combine stations; actions by telephone companies to service additional territory; actions and complaints by individuals, or groups of citizens, for telephone service or to change service from one company to another company; actions concerning the safety of railroad crossings and substandard switching clearances; actions by utilities to serve new territory; actions by companies for authority for new financing; actions by bus and truck companies for new or enlarged authorities for their operations; and various other actions which must be heard and decisions made thereon by the Commission.

Members of the Legal Department have also represented the Commission at various hearings before the Federal Power Commission and the Interstate Commerce Commission. The purpose of such appearances was to protect the interests of the utility consuming public of this state. These cases have involved many issues, e. g., gas rates, transportation rates, allocation of gas for particular communities, discontinuance of service by railroads, etc. An outstanding result of such participation by the legal staff in matters pending before the Federal Power Commission is the fact that, during the period here involved, certain utility rate cases were settled or concluded, and the citizens of Missouri and customers of such utilities were paid several million dollars in refunds.

Among the important duties of the Commission requiring considerable time of the members of the department, is the representation of the state on joint boards created by the Interstate Commerce Commission pursuant to the provision of the Federal Motor Carriers Act. The function of the joint board is to hear applications for certificates of convenience and necessity and permits to operate as motor carriers in interstate commerce and to recommend to the Interstate Commerce Commission the action to be taken thereon. Missouri is now a member of thirty-five different joint boards of adjoining or

surrounding states and these boards from time to time are assigned to hear certain cases by the Interstate Commerce Commission, which have been filed and which involve some ruling or interpretation of such Commission's regulations. During the last fiscal year the legal staff (representing the interests of Missouri motor carriers and Missourians generally) participated in such joint board hearings in some eighty to ninety applications and investigations of bus and truck operations, in St. Louis, Kansas City, Chicago, Jefferson City, Des Moines, Oklahoma City, Little Rock, and Springfield, Illinois.

REPORTING DEPARTMENT

This Department employs two Official Court Reporters, one Dictaphone Operator and Transcriber on a full-time basis, and one Official Court Reporter on a part-time basis. With the increase in the number of cases being heard, it is impossible with the limited staff and funds available, to keep the transcripts on anything near a current basis.

During the last fiscal year the Reporters spent 696 hours in the hearing rooms on 433 cases; 222 of them, consisting of 20,787 master pages were transcribed, and 13,449 pages were sold to attorneys and litigants at twenty-five cents per page.